

**TESTIMONY PRESENTED TO THE HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT COMMITTEE
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Testimony Supporting Senate Bill No. 28

**AN ACT IMPLEMENTING THE GOVERNOR'S RECOMMENDATIONS CONCERNING
HIGHER EDUCATION**

Senator Bye, Representative Willis and distinguished members of the Higher Education and Employment Advancement Committee, thank you for the opportunity to offer testimony on Senate Bill No. 28, AN ACT IMPLEMENTING THE GOVERNOR'S RECOMMENDATIONS CONCERNING HIGHER EDUCATION.

Connecticut Independent College Student Grants

The bill limits the awards of Connecticut Independent College Student grants, known as CICS, to private institutions with endowments under \$200 million. The Governor's budget reduced funding by \$3.8 million and aid would be eliminated to Fairfield University, Quinnipiac University, Trinity College, Wesleyan University and Yale University. It should be noted that Yale University has already declined grants for the biennium as resources are constrained.

By excluding private institutions with the greatest ability to provide financial aid to their students, the proposal targets financial aid to students in the greatest need who attend the private institutions that have limited ability to provide assistance.

It should be noted that an additional \$1 million is reallocated from CICS to establish the Attract the Best aid and loan forgiveness program for teachers, in Section 17 of SB 24 AAC Educational Competitiveness, which is before the Education Committee. This transfer will represent an eight percent reduction for the eleven schools remaining in the CICS program. The Attract the Best program provides grants up to \$5,000 to academically high achieving students in teaching preparation programs. Loan forgiveness would be available to students who received grants while in school and accept teaching positions in priority school districts or a school that is a member of the Commissioner's Network. These new teachers would be eligible for loan forgiveness up to \$2,500 per year for four years (for a maximum of \$10,000). Thus the maximum in grants and loan forgiveness a teacher could receive is \$15,000

As we seek to reform the CICS program to preserve it for the neediest students, we wrestle with broader questions about the purpose of the program. Because each

institution develops their own financial aid packages for students, and because there is a lack of student level data reported, it is hard to evaluate whether the CICS program is achieving its intended purpose.

For example, we do not know whether the CICS awards to institutions really benefit Connecticut students, and that the CICS grants are not supplanting other institutional support that Connecticut student would have otherwise received. We cannot be certain that tax payer funded CICS grants do not "free up" other institutional support dollars for out of state students, or that the grants are financial aid to the students and not a subsidy to the institution.

There has been confusion because this bill uses the most recent report of endowments by the Chronicle of Higher Education to determine which institutions would remain eligible. Since the time the Governor's budget was finalized, an on-line edition of the Chronicle of Higher Education has published a more recent reporting period where Connecticut College's endowment exceeded \$200 million.

I propose instead using data that is self-reported by the institutions to the Integrated Postsecondary Education Data System (IPEDS), a series of interrelated surveys conducted annually by the U.S. Department's National Center for Education Statistics (NCES) which is available annually.

If Connecticut College exceeds this \$200 million threshold the amount of savings that could be achieved would increase by \$360,000 to \$4.18 million in FY 13.

Higher Education Report

The bill requires Office of Financial and Academic Affairs to annually collect data and report on trends relating to Connecticut higher education. Similar reports were produced by the office's predecessor agency, the Department of Higher Education, and this bill ensures continuous independent analysis of Connecticut's higher education system. The Office is uniquely positioned to provide this reporting through its national ties and its maintenance of extensive historical data. The information in this report is a valued resource of the Office of Policy and Management and the Office of Fiscal Analysis.

Kirklyn M. Kerr Program

The Governor's budget saves \$400,000 by closing the intake to the Kirklyn M. Kerr program for five Connecticut residents to pursue an education in veterinary medicine by contracting with Iowa State University for five slots at their in-state tuition rate. The students already part of the program will continue their education, as it was pre-funded, however the program will be closed to new enrollees. The bill implements this change by making the program within available appropriations.

I would like to again thank the committee for the opportunity to present this testimony. I respectfully request the Committee support this bill and I will be happy to answer any questions you may have.